

WILKINSON) BARKER) KNAUER) LLP

2300 N STREET, NW
SUITE 700
WASHINGTON, DC 20037
TEL 202.783.4141
FAX 202.783.5851
WWW.WBKLaw.COM
BRADLEY GILLEN
202.383.3379
BGILLEN@WBKLAW.COM

December 5, 2012

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Ex Parte Presentation, WC Docket No. 02-60*

Dear Ms. Dortch:

Pursuant to Section 1.1206(b) of the Federal Communications Commission's ("Commission's") rules, the American Hospital Association ("AHA") had ex parte presentations in the above-referenced proceeding on December 3, 2012 and December 5, 2012. Participants included Chantal Worzala, Director of Policy, AHA; Ed Bostick, Executive Director, CTN; Debby Farreau, Director, CTN; Dana Moore, Senior Vice President and Chief Information Officer, Centura Health; Lawrence Movshin and the undersigned of Wilkinson Barker Knauer, LLP. On December 3, individual meetings were held with Christine Kurth, Legal Advisor to Commissioner Robert McDowell; and Nicolas Degani, Legal Advisor to Commissioner Ajit Pai. On December 5, individual meetings were held with Angela Kronenberg, Wireline Legal Advisor to Commissioner Mignon Clyburn; as well as Priscilla Delgado Argeris and Valery Galasso of Commissioner Jessica Rosenworcel's office. The undersigned also had telephone conversations with Michael Steffen, Chairman Genachowski's Legal Advisor, and Linda Oliver of the Wireline Competition Bureau on December 5.

AHA urged the Commission to ensure that its funding mechanism supports all elements of today and tomorrow's tele-health networks in a manner consistent with the statute. Specifically, AHA asked the Commission to incorporate many of the key components of the Rural Health Care pilot program into the planned reforms of the rural health care program.

Urban/Rural Mix. AHA stressed the importance of urban sites continuing to be able to participate in consortia because those sites are where critical healthcare and IT resources reside in most states. The pilot program's de minimis standard has worked effectively to ensure that rural clinics throughout the country benefit, and should be retained. AHA opposes strict

Marlene H. Dortch, Secretary

December 5, 2012

Page 2

numerical limits on urban site participation, and asked that any limit adopted by the Commission require no more than a 50/50 split between participating rural and urban facilities in order to maximize statewide or regional network flexibility to include all interested sites, including urban sites.

Subsidy Level. AHA expressed support for the retention of the pilot program's 85 percent subsidy level, which has been critical to the success of program. AHA highlighted that a decrease in support to even 70 percent would double the contribution required of clinics, which could result in a significant decrease in program participation. AHA explained that many health care facilities have limited budgets and resources, and that clinics throughout the nation operate at budget deficits today. AHA reported that some remote facilities still have only dial-up connections given substantial budgetary and technical limitations.

Big Hospitals. AHA urged the Commission to treat all health care facilities participating in consortia in the same manner: any policies specific to "big hospitals" would be both unnecessary and counterproductive. Artificially limiting or capping participation by the core hospitals in networks risk depriving rural patients of the economic, clinical and IT resources necessary for statewide or regional networks to function. AHA explained that there is no workable definition of "big hospital," and that a definition based on bed size risks including many facilities that are economically challenged. If a bed size-based metric were used, AHA suggested that 400 beds would be the most appropriate figure, representing approximately 9 percent of hospitals nationwide. Any ceiling or cap on support for hospitals should be crafted to exclude only outliers and the most excessive draws on finite government funds. The Commission should avoid limiting the ability of core hospitals to participate at levels necessary to provide clinical services to patients throughout a region, which increasingly requires high-capacity connections for advanced diagnostic services and health records management.

Respectfully submitted,

WILKINSON BARKER KNAUER, LLP

BRADLEY K. GILLEN